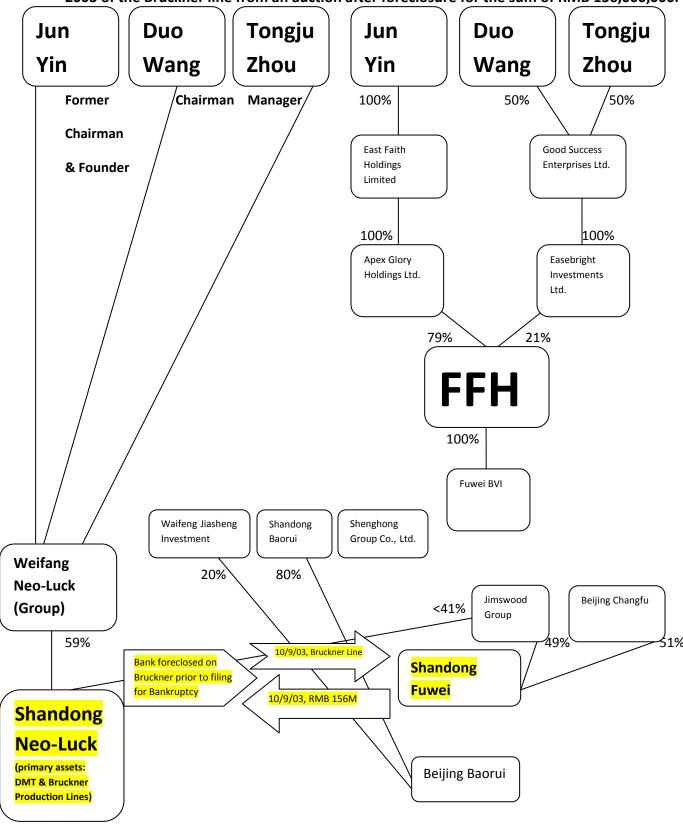
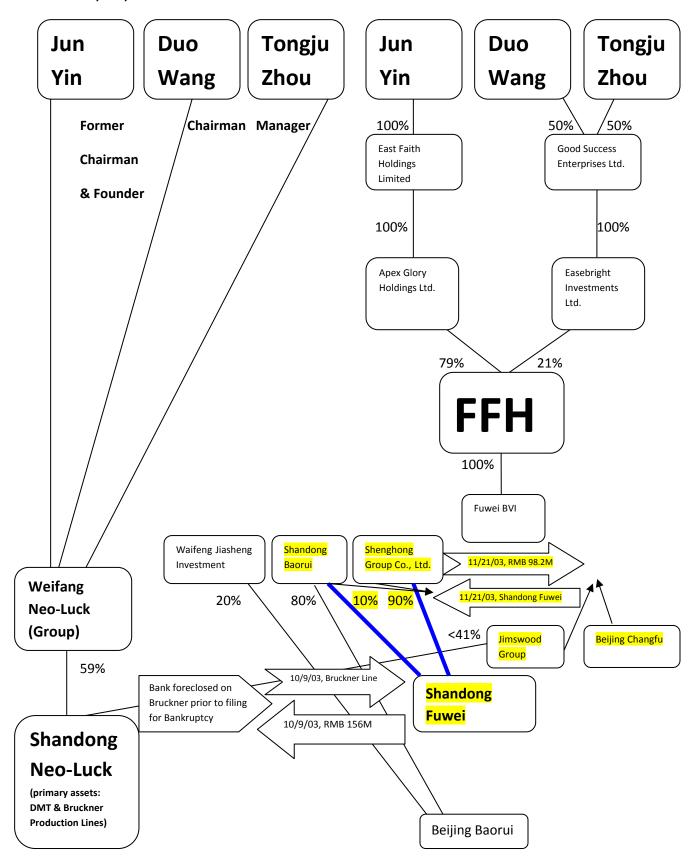
Exhibit 2

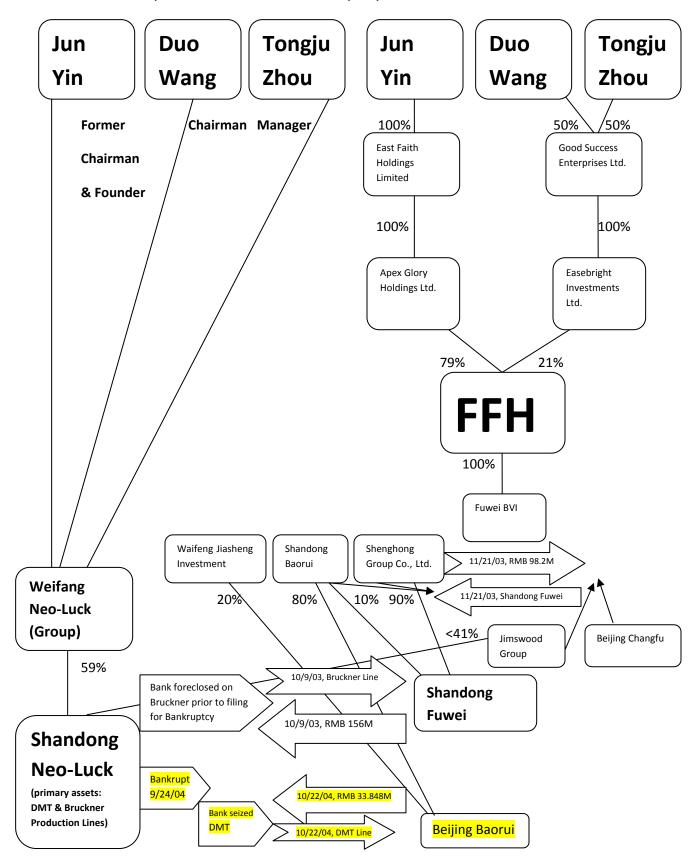
Shandong Fuwei was established to buy each of the DMT and Bruckner production lines ("Assets"), which it previously rented for several months, of Shandong Neo-Luck from 2 bankheld auctions respectively. After each purchase of the Assets, all of the shares of Shandong Fuwei were sold, as shown in Charts 2 and 4. This Chart shows the purchase on October 9, 2003 of the Bruckner line from an auction after foreclosure for the sum of RMB 156,000,000.



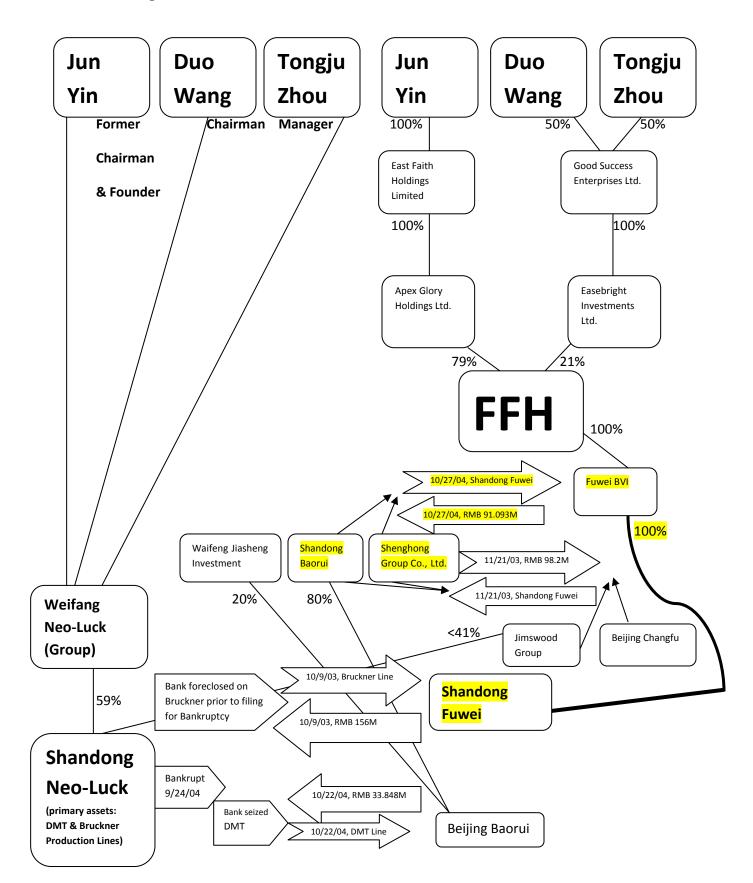
On November 21, 2003, Jimswood Group, which owned 49% of the shares of Shandong Fuwei, and Beijing Changfu, which owned 51% of the shares of Shandong Fuwei, together sold 90% of the shares of Shandong Fuwei to Shanghong Group CO., Ltd. and 10% of the shares of Shandong Fuwei to Shandong Baorui in consideration for jointly receiving RMB 98,200,000.



On September 24, 2004, Shandong Neo-Luck became bankrupt under Chinese law. Beijing Baorui, was established to buy the DMT line from Shandong Neo-Luck, which it did on October 22, 2004 for the sum of RMB 33,840,000.



On October 27, 2004, Shenghong Group, Co., Ltd., which owned 90% of the shares of Shandong Fuwei, and Shandong Baorui, which owned 10% of the shares of Shandong Fuwei, together sold 100% of the shares of Shandong Fuwei to Fuwei BVI in consideration for jointly receiving RMB 91,093,000.



On December 25, 2004, Beijing Baroui sold the DMT line to Shandong Fuwei for RMB 119,280,000, almost four times the amount it paid for the DMT line two months earlier, as shown in Chart 3.

